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| APPLICATION NO.                                               | FILING DATE | FIRST NAMED INVENTOR | ATTORNEY DOCKET NO. | CONFIRMATION NO. |
|---------------------------------------------------------------|-------------|----------------------|---------------------|------------------|
| 10/677,936                                                    | 10/02/2003  | Donald L. Walz       | 7570CIP             | 9728             |
| 31253                                                         | 7590        | 10/21/2005           | EXAMINER            |                  |
| M. REID RUSSELL<br>854 WEST 3390 SOUTH<br>HURRICANE, UT 84737 |             |                      | NGUYEN, TAN D       |                  |
|                                                               |             |                      | ART UNIT            | PAPER NUMBER     |
|                                                               |             |                      | 3629                |                  |
| DATE MAILED: 10/21/2005                                       |             |                      |                     |                  |

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Application No.

10/677,936

Applicant(s)

WALZ, DONALD L.

Examiner

Tan Dean D. Nguyen

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 20 June 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-6 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-6 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_

- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date. \_\_\_\_\_
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_

**DETAILED ACTION**

***Response to Amendment***

The amendment filed 6/20/05 has been entered.

***Claim Rejections - 35 USC § 101***

1. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. **Claims 1-6 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.**

In order for the claimed invention to be statutory subject matter, the claimed invention must fall within **one** of the **statutory classes** of invention as set forth in § 101 (i.e. (1) a process (method), (2) machine (apparatus/system), (3) manufacture (product), or (4) composition of matter).

In the present case, claims 1-6 are directed to "A charitable organization funding a member benefit program (plan)", which is not within one of the classes of invention set forth in § 101.

The "A charitable organization funding a member benefit program" comprising:

- (a) a charitable organization ...,
- (b) members of the organization ...,
- (c ) a plan ...., and

(d) a computer for maintaining a record ... at said member's death.", as shown are merely an abstract idea and do not produce a useful, tangible, concrete results.

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The "A charitable organization funding a member benefit program" comprising elements (a)-(d) as shown are:

- 1) merely an abstract idea and
- 2) does not reduce to a practical application in the technological arts and are therefore found to be non-statutory or meeting one the four statutory class cited above.

Claim 1 appears to be a product claim and not a method claim since the preamble calls for a "benefit program" and the body of the claim does not contain any positive (active) cited steps linking together to carry out an objective. The body of the claim contains several discrete elements (a) – (d) linking together by connected phrases.

See *In re Alappat*, 33 F.3d at 1544, 31 USPQ2d at 1557, or *In re Waldbaum*, 173 USPQ 430 (CCPA 1972) or *In re Musgrave*, 167 USPQ 280 (CCPA 1970) and *In re Johnston*, 183 USPQ 172.

### ***Claim Rejections - 35 USC § 103***

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.

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2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

**5. Claims 1-6 are rejected under 35 U.S.C. 103(a) as being unpatentable over (1) Applicant Admitted Prior Art (or AAPA) in view of (2) LACOUR, Article 1998 "Relief Agencies ..." and (3) KITTUR et al, Article 1991 "Incentives for Organ Donation?"**

**As for independent claim 1**, AAPA discloses (a) a well known charitable organization such as American Red Cross comprising: a charitable organization that is qualified to receive tax deductive donations and distributes human blood and blood products (regenerative organ/tissue) throughout the world, (b) members of the charitable organization, (c) a plan administered by the organization whereby, for the member regularly paying dues and donating blood the charitable organization to receive tax deduction, and (d) means for maintaining a record of individual member's contribution of money and blood to the charitable organization during the member's life (see pages 2-3). AAPA teaches the claimed invention except for:

(a) the organization to receive donations of goods, and services,

(c) a plan that the organization will provide and fully pay for, through a funeral plan that is funded from a minimum to maximum value as determined by the member's actual donations upon the member's death, and

(d) a computer for carrying (d) above.

LACOUR is merely cited to teach other well known functions of the American Red Cross and that it's a charitable organization that is qualified to receive tax

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deductible donations of money, goods (jugs of water, forklifts, anything), services (volunteers and people) and distributes money and goods to needy people (see abstract). LACOUR also teaches the use of computers for well known functions such as automation and inventory control (database). It would have been obvious to modify the teaching of AAPA to include other well known functions of the organization, American Red Cross, such as receiving money, goods, services and the use of computer for automation functions and other basic functions such as inventory control. Therefore, the teachings of AAPA and LACOUR fairly teaches the claimed invention except for: ( c) a "compensation" plan that the organization will provide and fully pay for, through a funeral plan that is funded from a minimum to maximum value as determined by the member's actual donations upon the member's death to compensate for member's donation.

KITTUR et al, as shown in Article 1991, discloses that compensation for donation of (human parts, i.e. regenerative organs/tissues) blood, blood products, spermatozoa or organs would encourage more people to become donors due to the financial benefits (page 3, 4<sup>th</sup> paragraph). Article 1991, also indicated on the same page at 6<sup>th</sup> paragraph, that some of the more popular potential financial donor compensations can include assistance in the payment of funeral expenses (funeral plans). **It would have been obvious** to modify the teaching of AAPA / LACOUR to include more popular compensation for donation of human parts, i.e. regenerative organ such as assistance in practical expenses such as funeral expenses as taught by KITTUR et al above to encourage more people to give or donate due to financial benefits. As for the limitation

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of the compensation varies with the member's donation, this is well known donation/compensation concept and is inherently included in the teaching of AAPA/LACOUR or would have been obvious to a person of ordinary skill because the compensation has to be proportional to the donation level to be fair for the donor and donee. For example, a minimum/low donation would result in a minimum/low compensation and vice versa for a high/maximum donation with some of the cost going into cover administration cost.

As for dep. claim 2 (part of 1 above), which deals with other type of well known body donating parameters, usable organs, this is non-essential to the scope of the claimed invention since it's immaterial modification and is fairly taught in KITTUR et al pages 2-3.

As for dep. claim 3 (part of 1 above), this is well known donor recording parameters since social security number is one of the main identifier and verification for our society currently and other personal information such as blood type, DNA information, etc. to further improve the verification process are well known and would have been obvious to a skilled artisan.

As for claims 4-6 (part of 1 above), which deals with other type of well known donor benefits parameters, these are non-essential to the scope of the claimed invention since they are immaterial modification and are fairly taught on page 3 of KITTUR et al. Note also that the various adjustments of the compensation plan or other plan for reducing personal costs with respect to funeral planning, estate planning, etc., would have been obvious to a skilled artisan.

***Response to Arguments***

6. Applicant's arguments filed 6/20/05 have been fully considered but they are not persuasive.

1) With respect to the 101 rejection, applicant's comment that the claims do not present an abstract idea, rather the process deals with an existing entity that has already dealt with blood collection and donation (see page 4, lines 1-4). This is not found persuasive because the claims are not written in a process style but a product claim with several elements connected together since there are no positive/active method steps recited, i.e. (a) providing a charitable organization .... ; (b) determining a value of benefits based on .... ; (c) providing a computer wherein the computer maintains a record ...; (d) providing a funeral plan to the member based on the value determined above. So, it's not clear whether applicant assumed a process but wrote the claim in a product manner and turns it into a hybrid and does not fall into one the 4 statutory classes. If it's a product, it cannot contain a computer system since only a system claim or apparatus can contain a computer system or method claim which uses the computer system for maintaining a record.

2) With respect to the 103 rejections, applicant's comment that KITTUR et al is clearly and solely dealt with organ donation while AAPA deals with blood donation and they are different. This is not found persuasive because they are related since both deal with donation of human body items and the compensation plan for donation of one body item should be applicable (or would have been obvious to be applicable) to the



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donation of other body item to a person of ordinary skill in the art. As for the specific issue with respect to the type of organ, such as kidney, sperm, heart, lung, etc. this is much more specific than the claim calls for. As for the comment of non-essential or regenerative organ parts and issue of compensation for these, KITTUR et al also teaches the donation of regenerative parts such as sperm on page 1 "**while sperm donors may be paid**", blood and organ donation on pages 2-4. Note that the **application examination does not deal with immoral or ethical issue** or whether financial compensation would be immoral or unethical issue since these changes with time, place, society, supply and demand, etc. The examination deals with what are taught out there and if there is a teaching dealing with compensation for exchanging a body part then it would have been obvious to a skilled artisan to practice this concept on any other body part. In response to applicant's arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231 USPQ 375 (Fed. Cir. 1986).

### **Conclusion**

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

1. US Patent/PG PUB:

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(1) US 2002/0049816 by Costin IV, et al. is cited to teach well known automation steps using computer or computer network or global computer network (Internet) for an artisan to help out a charity organization in reaching donors, keeping track of record, tracking and calculating of results, communicating with donors through interactive participation such as e-mail. This is cited here for applicant's awareness but it could be used in the near future for limitations dealing with well known benefits of computer and global computer network (Internet).

2. NPL:

(1) Article "FEMA" is cited to teach other well known functions of American Red Cross as cited in LACOUR.

8. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than **SIX MONTHS** from the mailing date of this final action.

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9. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through private PAIR only. For more information about the PAIR system, see <http://pair-direct@uspto.gov>. Should you have any questions on access to the private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll free).

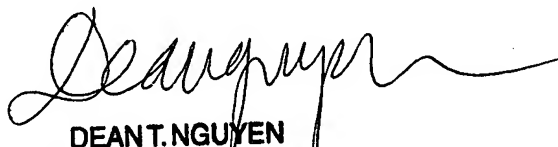
In receiving an Office Action, it becomes apparent that certain documents are missing, e. g. copies of references, Forms PTO 1449, PTO-892, etc., requests for copies should be directed to Tech Center 3600 Customer Service at (571) 272-3600, or e-mail [CustomerService3600@uspto.gov](mailto:CustomerService3600@uspto.gov).

Any inquiry concerning the merits of the examination of the application should be directed to Dean Tan Nguyen at telephone number (571) 272-6806. My work schedule is normally Monday through Friday from 6:30 am - 4:00 pm. I am scheduled to be off every other Friday.

Should I be unavailable during my normal working hours, my supervisor John Weiss can be reached at (571) 272-6812.

The main FAX phone numbers for formal communications concerning this application are **(571) 273-8300**. My personal Fax is (571) 273-6806. Informal communications may be made, following a telephone call to the examiner, by an informal FAX number to be given.

dtn  
October 19, 2005

  
**DEAN T. NGUYEN**  
**PRIMARY EXAMINER**